Partial Dislog

(12) **United States Patent**
Baker

(10) Patent No.: **US 6,567,789 B1**
(45) Date of Patent: **May 20, 2003**

(54) **METHOD AND SYSTEM FOR ELECTRONIC EXCHANGE OF TAX INFORMATION**

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(*) Notice: Subject to any disclaimer, the term of this patent is extended or adjusted under 35 U.S.C. 154(b) by 0 days.

(21) Appl. No.: **09/481,118**

(22) Filed: **Jan. 11, 2000**

Related U.S. Application Data

(63) Continuation-in-part of application No. 09/376,283, filed on Aug. 18, 1999, now Pat. No. 6,473,741.
(60) Provisional application No. 60/105,744, filed on Oct. 26, 1998, and provisional application No. 60/106,581, filed on Nov. 2, 1998.

(51) **Int. Cl.**[7] G06F 17/60; H04K 1/00
(52) **U.S. Cl.** 705/31; 705/1; 705/30; 380/24
(58) **Field of Search** 705/31, 1, 30; 380/24

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(57) **ABSTRACT**

A communication link is established between a first processor and a receiving processor located at a central data repository. Tax return information in electronic form are then downloaded to the central data repository. The electronic tax information is then converted into a new standard electronic document having a standard format. The new standard electronic document is then sent into a first database where it is sorted and stored with the other standard electronic documents. A first copy of the standard electronic document is then sent through a filtering process in which all the data fields containing identifiable data such as names, social security codes, identification numbers, and street address are removed creating an electronic data mining document. The electronic data mining document is then sent to a second database where the data mining document is sorted and stored with other electronic data mining documents.

28 Claims, 3 Drawing Sheets
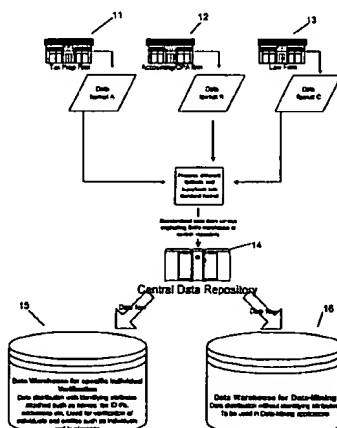
US-PAT-NO: 6567789

DOCUMENT-IDENTIFIER: US 6567789 B1

TITLE: Method and system for electronic exchange of **tax** information

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TITLE - TI (1):
  Method and system for electronic exchange of **tax** information

Brief Summary Text - BSTX (9):
   With the advent of **electronic methods of filing** income tax returns and with
the advent of technologies which can convert the contents of a tax document
into an **electronic file,** more and more tax information is stored in its
electronic form. Most tax preparation firms, accounting firms and law firms
currently maintain there own databases of tax information. However, these
databases are not typically linked or shared, isolating the information stored
in each individual database. Furthermore, there is no current standard format
for the electronic storage of this tax information making the evaluation of
this tax information from different databases quite difficult.

Brief Summary Text - BSTX (28):
   In order to obtain copies of the information stored within the first or
second database, a **request** is submitted by a party for the release of tax
information. Tax information is released to a third party in one of two ways.
If the tax information **requested** requires that the identifiable data be
included, such as **requests** for past income tax returns in order to submit to a
lending institution for loan verification, an authorization from the owner of
the tax information must be submitted with the **request** in order for the **request**
to be carried out. The information is then searched for and copied from the
first database by an output processor means.

Brief Summary Text - BSTX (29):
   If the tax information **requested** does not require identifiable data, such as

requests for bulk data in order to perform data mining operations, the **request** will include specific criteria which the tax information must satisfy in order to be released. The output processor means then searches the second database
and copies all the tax information which satisfies the criteria.

Brief Summary Text - BSTX (30):
The format in which the tax information is to be delivered and the location to which the information will be delivered to is also included in the **request**. Once the **requested** tax information is gathered, the output processor initiates the delivery of this information.

Detailed Description Text - DETX (8):
Referring to FIGS. 2 and 3, in order to obtain information from the central data repository 14, a **request** 20 is submitted by a party for the release of **requested** tax information. The **request** 20 will typically include authorization for the release of the **requested** tax information, the criteria for the data to be selected, the format in which the **requested** tax information is to be delivered, and the destination to which the **requested** tax information will be delivered.

Detailed Description Text - DETX (9):
Requested tax information is released to a third party in one of two ways. If the **requested** tax information requires that the identifiable data be included, such as **requests** for past income tax returns to submit to a lending institution for loan verification, an authorization from the owner of the tax information/taxpayer must be submitted with the **request** 20 in order for the **request** to be carried out. If there is authorization and after the authorization is authenticated, the information is then searched for and copied from the first database 15 by an output processor means 21. If the tax information **requested** does not require identifiable data, such as **requests** for bulk data in order to perform data mining operations, the **request** will include specific criteria which the tax information must satisfy in order to be released. The output processor means 21 then searches the second database 16
and copies all the tax information which satisfies the criteria.

Detailed Description Text - DETX (10):
Once the **requested** tax information is gathered, the output processor 21 initiates the delivery of this information. The tax information may be printed

out and sent via mail, but in the preferred embodiment, the tax information is formatted according to the **request** and downloaded directly into a **requesting** processor specified in the **request**.

Claims Text - CLTX (1):
1. A method for the electronic exchange of tax information which allows for easy access to the tax information without compromising the confidentiality of the electronic tax information owner/taxpayer, the method comprising: downloading tax information from various sources of tax information; storing the tax information into a first database; removing the identifiable characteristics out of the tax information creating an electronic data mining document; storing the electronic data mining document into a second database; receiving a **request for requested** tax information; determining whether the **requested** tax information has identifiable characteristics necessitating that the **requested** tax information be obtained from the first database or no identifiable characteristics necessitating that the **requested** tax information be obtained from the second database; copying the **requested** tax information from the first database or the second database; and delivering the **requested** tax information.

Claims Text - CLTX (3):
3. The method for the electronic exchange of tax information in claim 1 wherein the step of delivering the **requested** tax information is accomplished by transmitting the **requested** tax information to a **requesting** processor.

Claims Text - CLTX (19):
19. The system in claim 18 further comprising a first output processing means, the first output processing means having a communication link with the first and second database, means for obtaining a copy of a particular standard electronic document within the first database, and a means for transmitting the particular standard electronic document to a **requesting** processor.

Claims Text - CLTX (21):
21. The system in claim 20 wherein the output processing means has a communication link with the second database and a means for selecting data mining documents within the second database which satisfy a criteria based **request,** and a means for transmitting the plurality of data mining documents to a **requesting** processor.

Claims Text - CLTX (22):
  22. The system in claim 21 further comprising a **request** processing means, the **request** processing means having a communication link with the output processing means, the **request** processing means receiving **requests** for tax information.

Claims Text - CLTX (25):
  25. A method for the electronic exchange of tax information without compromising the confidentiality of the electronic tax information owner/taxpayer from a central data repository with a first database having tax information with identifying data and a second database having tax information with no identifying data, the method comprising: receiving a **request** to deliver tax information, the **request** having a set of criteria determining **requested** tax information to be delivered and a destination for the tax information; determining whether to obtain the **requested** tax information from the first database or the second database; retrieving the **requested** tax information from either the first database or the second database; and delivering the **requested** tax information to the destination.

Claims Text - CLTX (26):
  26. The method for the electronic exchange of tax information in claim 25 wherein the step for determining whether to obtain the tax information from the first database or the second database includes the steps of determining whether identifying data is required in the tax information **requested** and determining whether there is sufficient authorization to proceed.

Claims Text - CLTX (27):
  27. The method for the electronic exchange of tax information in claim 26 wherein the step of retrieving the **requested** tax information includes the steps of determining what tax information satisfies the criteria given in the **request** and determining where in either the first database or the second database is the **requested** tax information located.

Claims Text - CLTX (28):
  28. The method for the electronic exchange of tax information in claim 27 wherein the step of delivering the **requested** tax information to the third party includes the steps of establishing a communication link to a **requesting** processor and directly loading the tax information into the **requesting** processor.

Current US Original Classification - CCOR (1):
705/31

Current US Cross Reference Classification - CCXR (1):
705/1

Current US Cross Reference Classification - CCXR (2):
705/30